

MULTIMEDIA



UNIVERSITY

STUDENT ID NO

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# MULTIMEDIA UNIVERSITY

## FINAL EXAMINATION

TRIMESTER 1, 2017/2018

### PBF0014 – INTRODUCTION TO PERSONAL FINANCE

(Foundation in Business)

12 OCTOBER 2017

2.30pm – 4.30pm

(2 Hours)

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#### INSTRUCTIONS TO STUDENT

1. This question paper consists of **TWO** pages with **FIVE** questions only.
2. Answer **ALL** questions.
3. Write your answers in the Answer Booklet.

**ESSAYS [100 MARKS]**

**Instructions:** Answer **ALL** questions. Write your answers in the Answer Booklet.

**QUESTION 1**

- a) Peter is planning to apply for consumer loan from ABC Bank. You, as a banker of ABC Bank, explain to him in detail the **FOUR** decisions involved in taking a consumer loan.

(16 marks)

- b) State **TWO** advantages and **TWO** disadvantages associated with the use of credit cards.

(4 marks)

**(Total 20 marks)**

**QUESTION 2**

- a) List **THREE** keys to obtain a 'good' lease on a vehicle.

(3 marks)

- b) List **FIVE** advantages for each decision for renting and buying a house.

(10 marks)

- c) The reputation of the property developer is very important before you make your purchase. List **THREE** assessment tips in order to get a developer with good reputation.

(3 marks)

- d) Malaysian government has offered two key schemes to young adults who are relatively new to the workforce for the purchase of their first house. List and briefly describe the **TWO** key schemes.

(4 marks)

**(Total 20 marks)**

**QUESTION 3**

- a) In risk management, there are **THREE** ways that we can deal with risk. List and explain the ways.

(6 marks)

- b) What is the purpose of insurance? Explain the difference between health and life insurance.

(4 marks)

**Continued...**

c) What is Employees Provident Fund (EPF)?  
(3 marks)

d) State the **SEVEN** steps to fund your retirement needs.  
(7 marks)

**(Total 20 marks)**

#### QUESTION 4

a) List and explain in detail the **FOUR** steps in setting investment goals.  
(16 marks)

b) State the **TWO** options under lending investments, and **TWO** options under ownership investments.  
(4 marks)

**(Total 20 marks)**

#### QUESTION 5

a) Charles has been in a relationship with Chloe for few years and they have decided to get married. They are well aware of the importance of financial planning for a married couple. They need your advice on the **FIVE** steps involved in financial planning for a married couple.  
(15 marks)

b) Allen said that he has gone bankrupt. What is meant by bankruptcy? Briefly explain **THREE** of the implications of bankruptcy.  
(5 marks)

**(Total 20 marks)**

**End of Paper**